News story: CMA proposes to amend penalties quidance

The CMA is consulting on proposals to amend its penalties guidance in order to reflect experience gained in applying it since it was issued in 2012.

The penalties guidance sets out how the Competition and Markets Authority (CMA) will calculate the financial penalties it can impose for breaches of competition law. The proposed amendments are intended to enhance transparency and clarify specific aspects of the CMA's approach to calculating penalties, rather than representing major changes in the CMA's practice.

The changes include provision of further details around the assessment of seriousness of infringements, additional information regarding some illustrative mitigating and aggravating factors and the application of discounts where the CMA considers approving voluntary redress schemes.

Further information on the proposed changes and the draft revised guidance is available on the <u>consultation page</u>.

Interested parties are encouraged to respond to the consultation, which will run until 27 September 2017. Responses should be submitted by email to penaltiesguidance-consultation@cma.gsi.gov.uk or by post to:

Penalties Guidance Team
Policy and International
Competition and Markets Authority
6th Floor
Victoria House
37 Southampton Row
London WC1B 4AD

News story: £3 million Dragon's Den style competition shortlists ideas to clean up old nuclear plants

The shortlisted entries, many of which come from companies that have never worked in the nuclear industry before, now have around 3 months to develop their ideas for a chance to move on to the next stage. They'll start fleshing out their concepts on how to safely dismantle a large number of highly

radioactive rooms or 'cells' at Europe's most complex nuclear site, Sellafield in Cumbria.

Melanie Brownridge, the Nuclear Decommissioning Authority's (NDA) Head of Technology, said:

This competition is an amazing opportunity for creative, forward-thinking and innovative companies to collaborate and come up with cutting-edge solutions for cleaning up some of the UK's most complex nuclear sites.

The competition, which is being run by the NDA, and the UK government's innovation agency, Innovate UK, is awarding an initial £750,000 to a shortlist of 15 newly formed consortia to help them develop their ideas. Full details remain under commercial wraps but more will be revealed when the winners are picked at the end of the year and begin to build prototypes, supported by the remaining funds.

Lead contractor

Project title

A Flexible Measurement and Waste Led, Robotics-Based Decommissioning Project
Integrated Innovation for Nuclear Decommissioning
Barrnon Integrated Decommissioning System
Sellafield In-Cell Decommissioning System (SIDS)
Stabilisation, Excavation and Segregation
Elephants to Ants: Innovation in Integration
<pre>Integrated & Transferable Decommissioning Toolkit</pre>
Versatile Decommissioning System (VDS)
Hot Hatch Cell Recovery
DecomSmart
Nu-Decom
LaserSnake++
Integrated Keyhole Remote Decommissioning System
Integrated robotic system for characterisation and decommissioning $% \left(1\right) =\left(1\right) \left(1\right) +\left(1\right) \left(1\right) \left(1\right) +\left(1\right) \left(1\right) \left(1\right) \left(1\right) +\left(1\right) \left(1$
Integrated Innovation for Nuclear Decommissioning

Over the next few years several major plants at Sellafield will come to the end of their operational life, such as the The their operational life, such as the The their operational life, such as the The their operational life, such as the The the their operational life, such as the The their operational life, which are used to reprocess spent nuclear fuel from power stations across the UK and the rest of the world.

This will mark the start of an important decommissioning challenge to deal with a number of highly radioactive 'cells' containing a complex network of contaminated pipes, vessels and several miles of steelwork. The competition set out to find and fund technology that will clean up the 'cells' as safely, quickly and cost-effectively as possible whilst minimising risks to the workforce.

The winning technologies will need to find ways of safely accessing the cells, surveying the contents, cleaning them out and putting the radioactive waste into packages for safe storage. The proposals feature the use of leading-edge technologies such as artificial intelligence, virtual reality, robots, drones, lasers and specialised remote sensors and detectors.

Although initially focused on Sellafield, the winning ideas could be used to clean up the other nuclear sites owned by the NDA, which date back to the earliest days of the UK nuclear industry.

Melanie added:

The NDA is continually seeking the best ways to encourage new ideas from the supply chain and ensure everyone has an opportunity to get involved. The response we have had to this competition has been fantastic. We've been really impressed by the standard of proposals and the healthy numbers of applicants.

I'm also extremely encouraged by the high level of interest from organisations outside the nuclear sector, offering highly innovative solutions from industries such as the oil and gas sector, defence industries and even space exploration.

Derek Allen, Innovation Lead at Innovate UK, said:

We are delighted to be working again with the NDA as they continue to support innovation to deliver their programme.

We are looking forward to seeing the integration and demonstration of some of these technologies that will ultimately lead to safer, faster, cheaper nuclear decommissioning. This has the potential to open up significant business opportunities for UK organisations both nationally and globally.

Press release: New powers to introduce

tough sanctions against individuals, organisations and foreign governments

The government has today (Wednesday 2 August) <u>published plans</u> to enable post-Brexit Britain to continue to play a central role in global sanctions to combat the threats of terrorism, conflict and the proliferation of nuclear weapons. Proposals include additional powers to cut off funding for terrorists by making it easier to freeze assets and block access to bank accounts.

The Sanctions Bill would ensure the UK has the necessary legal powers to implement sanctions after Brexit, as well as greater flexibility in choosing when and how to introduce new measures. The UK will also continue to play a central role in negotiating global sanctions as a member of the UN Security Council.

At the moment, the UK implements over 30 sanctions regimes, including those against Russia, North Korea, Iran, Daesh and Al Qaida.

The government's response to the 9-week public consultation of these new powers is to:

- 1. Create new powers to impose, implement and enforce sanctions regimes, drawing on the current EU model
- 2. Introduce an annual review of regimes to ensure that they remain appropriate
- 3. Ensure individuals and organisations can challenge any sanctions imposed on them
- 4. Enable the government to issue exemptions when needed, for example in delivering humanitarian aid in regions affected by sanctions; and
- 5. Make it easier to stop suspected terrorists from accessing their money

The UK currently negotiates and imposes non-UN sanctions against specific countries through EU laws. This Bill will repatriate powers on non-UN sanctions from Brussels, reflecting and building on the measures that the UK currently has under EU law.

Minister for Europe Rt Hon Sir Alan Duncan MP said:

The new Sanctions Bill will ensure that when the UK leaves the European Union, we retain the ability to impose, update and lift sanctions regimes, both to comply with our international obligations and in pursuit of our foreign policy and national security objectives.

This will enable us to impose sanctions as appropriate either alone or with partners in the EU and around the world, to take targeted action against countries, organisations and individuals who contravene international law, commit or finance terrorism or

threaten international peace and security.

The government's proposed plans will also make it easier to freeze a suspected terrorist's bank accounts and stop them making money from their assets, such as selling their house or car.

At the moment, to freeze a person's assets, the government must reasonably believe that the person is, or has been, involved in terrorism, and that freezing their assets is necessary to protect the public.

The new proposals would make it easier to stop suspected terrorists in their tracks as the government would only need to have reasonable grounds to suspect the person or group is or has been involved in terrorism and that sanctions are an appropriate action.

This is important given the evolving nature of terrorism. Terrorists are now causing significant damage using very small amounts of funds and resources.

The Economic Secretary to the Treasury Stephen Barclay said:

These new powers will help us keep the British public safer from terrorist attacks by keeping money out of the hands of those wishing to cause us harm.

Our counter terrorist financing proposals will make it easier for law enforcement and government to impose sanctions on those that present a threat to our national or international security.

These powers will help us continue to lead the global fight against Daesh and form part of the review of Britain's counter terrorism strategy announced in the Prime Minister's speech in June.

News story: Institute for Apprenticeships announces its External Quality Assurance delivery partner

The Institute for Apprenticeships has today announced that is has contracted with Open Awards to deliver External Quality Assurance (EQA) of apprenticeship end-point-assessment on the Institute's behalf in 2017-18.

External Quality Assurance ensures that assessment of apprentices is being delivered effectively and consistently and is fit for purpose. Trailblazers — employers who collectively propose a new apprenticeship standard — select one

of four options to deliver EQA for that standard: an employer-led group, a professional body, Ofqual or where these options are not appropriate the Institute for Apprenticeships. Today's announcement confirms the Institute will act as a provider of EQA, through its delivery partner, Open Awards.

The Institute's Chief Executive, Peter Lauener, said:

This is an important step forward for the Institute for Apprenticeships. We have a duty to ensure that apprenticeships equip learners with the right skills and provide the basis for lasting employment. That means putting the right structures in place to ensure that those delivering assessments are accountable and held to the highest standards themselves.

We put employers' needs and choices at the heart of our work, and it is important that they have a choice in how external quality assurance is undertaken. I'm delighted that with today's announcement we are able to offer the option of the Institute taking that role.

Heather Akehurst, Chief Executive of Open Awards added:

We're delighted to be working in partnership with the Institute for Apprenticeships and look forward to helping them hold apprenticeships and assessments to the highest quality.

Further information

The decision was made following a period of public tender. The contract commenced on 1 August 2017. It includes those standards for which the Institute is the nominated external quality assurance provider and where the EPA starts before the 31 March 2018. The Institute has an option of extending the contract for a further a six months to cover standards where EPA starts before 31 September 2018. Previous estimates suggest that between 1500 and 2500 apprentices will undertake end point assessment across 36 standards which have nominated the Institute to provide EQA before March 2018.

Open Awards is an Awarding Organisation approved by Ofqual and an Access Validating Agency approved by the Quality Assurance Agency for Higher Education (QAA).

Contact

For further information about this release please contact Ed Hickey, Institute for Apprenticeships, via edward.hickey@education.gov.uk, 07469 412924

Press release: Competition concerns for oil and gas engineering services merger

The Competition and Markets Authority (CMA) has been investigating the planned merger of the 2 companies which supply engineering services to the UK's Upstream Offshore oil and gas sector.

At the end of its initial investigation, the CMA has found that the merger could lead to competition concerns in the supply of engineering and construction (E&C) services and operation and maintenance (0&M) services on the UK continental shelf.

This is because the companies currently compete closely with each other, and are 2 of the main suppliers of these services; the merger will reduce the number of major players currently active in these markets from 4 to 3; there are concerns that competition from other suppliers may not be sufficient to mitigate competition worries; and other suppliers seeking to enter the market or expand their UK presence may face significant barriers to doing so.

The Wood Group announced at the start of the CMA's initial investigation that it intended to offer proposals to resolve competition concerns, should any be found. Therefore, the case team looking at the merger has (without prejudice to the outcome of the investigation) worked constructively with the 2 companies involved to shape proposed remedies and provide guidance on whether these would be suitable to address possible competition issues.

The Wood Group has until 9 August 2017 to formalise its final remedies proposal. If it does not formally submit a remedies proposal, or if the remedies offered do not sufficiently address the competition concerns that the CMA has identified, the merger will be referred for an in-depth 'phase 2' investigation.

Kate Collyer, Deputy Chief Economic Adviser and the decision maker in this case, said:

We have consulted widely on the implications of this merger and it is clear that Wood Group and Amec Foster Wheeler have a particularly strong market position in the supply of key services to the Upstream Offshore oil and gas sector in the UK. The merger would, therefore, remove the rivalry between 2 of the 4 main suppliers of these services.

Based on our initial investigation, this could significantly reduce customers' ability to obtain competitive bids, which could lead to

increased prices and affect the competitiveness of the oil and gas industry in the UK.

The CMA's team will continue to work constructively with the Wood Group and Amec Foster Wheeler in the assessment of the remedies that they intend to formally offer to address these concerns. This merger will, however, warrant an in-depth investigation, unless the companies offer suitable proposals to address our concerns.

Information relating to this investigation can be found on the case page.

Notes for editors

- 1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For more information on the CMA see our homepage or follow us on Twitter @CMAgovuk, Flick and LinkedIn. Sign up to our <a href="mailto:emailto
- 2. Under the Enterprise Act 2002 (the Act) the CMA has a duty to make a merger reference, resulting in an in-depth phase 2 merger investigation, if the CMA believes that it is or may be the case that a 'relevant merger situation' has been created, or arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and that the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.
- 3. Under the Act a 'relevant merger situation' is created if 2 or more enterprises have ceased to be distinct enterprises; and the value of the turnover in the United Kingdom of the enterprise being taken over exceeds £70 million ('the turnover test') or as a result of the transaction, in relation to the supply of goods or services of any description, a 25% share of supply in the UK (or a substantial part of the UK) is created or enhanced ('the share of supply test').
- 4. Under paragraphs 8.7 and 8.8 of the CMA's Mergers Jurisdiction and Procedure Guidance, the merger parties can engage with the CMA's case team on remedies prior to any decision for reference. However, the case team is not able formally to agree with the parties whether a particular package of undertakings in lieu would or would not be sufficient. This is because the final decisions on whether, first, the duty to refer arises and, (if it does) second, whether to accept undertakings in lieu are not to be pre-judged and remain with the phase 1 decision maker.
- 5. The CMA considers that it is under a duty to make a phase 2 merger reference in this case under the Act. However, the duty to refer is not exercised while the CMA is considering whether to accept undertakings in lieu of a reference. The Wood Group have until 9 August to offer undertakings that might be accepted by the CMA. If no undertaking is offered or accepted, then the CMA will refer the merger for a phase 2 merger investigation.

- 6. All the CMA's functions in phase 2 merger investigations are performed by inquiry groups chosen from the CMA's panel members. The appointed inquiry group are the decision makers on merger investigations. The CMA's panel members come from a variety of backgrounds, including economics, law, accountancy and/or business; the membership of an inquiry group usually reflects a mix of expertise and experience (including industry experience).
- 7. The text of this decision will be placed on the <u>case page</u> in due course.
- 8. Media enquiries should be directed to beatrice.cole@cma.gsi.gov.uk, 020 3738 6472.